

# Realty Trust Review

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## INVESTMENT OUTLOOK AND STATISTICAL ISSUE

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### NEWS NOTES: FIVE TRUSTS HIT BY \$23.4 MILLION DECISION; PNB MTG. FALLS

Five realty trusts have been hit by a damage award totaling a potential \$23.4 million. The exact amount isn't clear because the court didn't specify interest to be added atop an \$18 million award. Most lawyers however expect interest to be 30% of principal (i.e., five years at 6%).

The five trusts and the impact upon each are:

| Trust             | Commit. | Award   | Per Sh. |
|-------------------|---------|---------|---------|
| First Memphis...  | \$2.0M  | \$2.6M  | \$2.25  |
| First Newport...  | 3.0     | 3.9     | 1.67    |
| Newcorp (Cousins) | 3.0     | 3.9     | 1.00    |
| No. Amer. Mtg...  | 6.5     | 8.5     | 1.23    |
| PNB Mtg. & Rl...  | 3.5     | 4.6     | 1.87    |
| TOTALS....        | \$18.0M | \$23.4M |         |

The five were among 15 lenders who joined in 1971 to issue a \$45 million interim mortgage commitment on a 44-story office tower, known as 1166 Avenue of the Americas, then being started in Manhattan. Four New York City banks provided construction financing, but when the building was completed in 1974, the interim lenders (led by North American) refused to fund their commitment. The bank construction lenders then sued for damages.

The decision noted that by the time the building was completed, not a single tenant had been found despite diligent leasing efforts. Moreover, the takeout commitment "contained no requirement that leases in any number would be in force at the closing date." Faced with the prospect that if the takeout lenders funded the loan they would have to fore-

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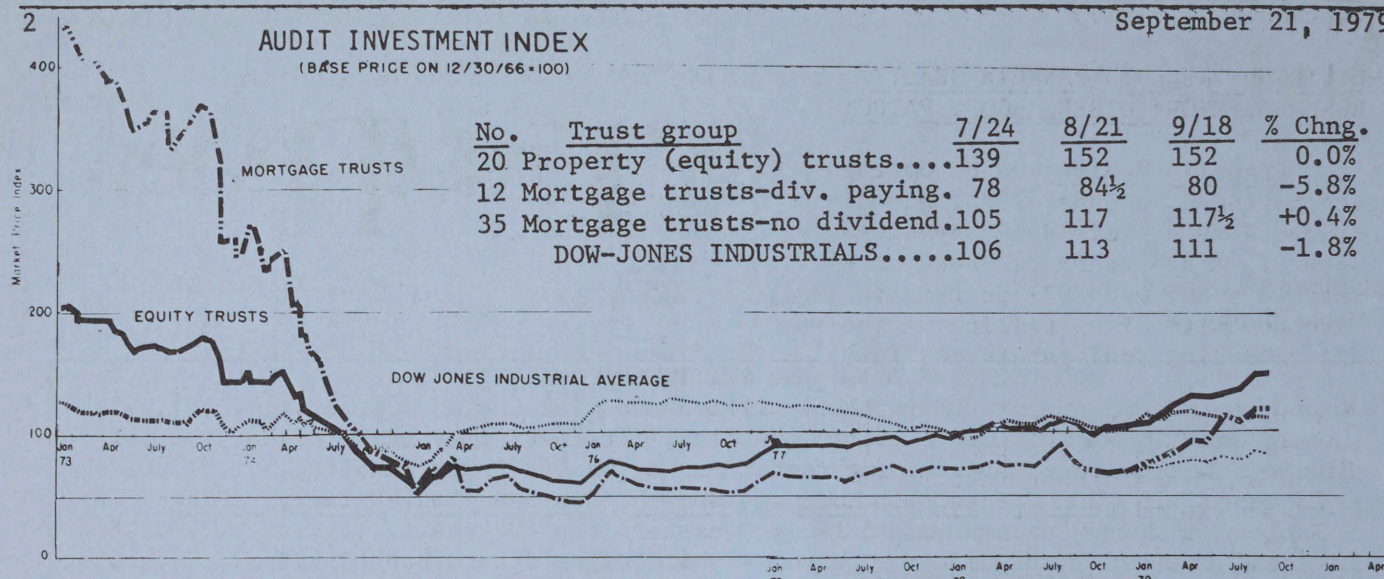
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close in 30 days, they met in Aug. 1974 and were of "the unanimous opinion...to find some reason not to close." A "lack of enthusiasm" by the NAMI group's lawyers followed which led to the failure to close in Oct. 1974. The judge's verdict: the standby lenders "knowingly and intentionally breached the commitment."

The trusts involved say they expect to appeal the decision but to do so they apparently would have to post bond in the amount of the award, under court rules. This doubtless will impose some burden on the trusts, and outcome is obviously uncertain.

PNB Mtg. & Realty has been hit the hardest in the market, falling about 10% when news first came out. PNB's merger agreement with Sutro Mtg. Inv. gave Sutro trustees the sole discretion to back out of the agreement in case of an adverse judgment; they voted 7 to 2 to go ahead with it, postponing the shareholders meeting pending dissemination of information.

First Memphis shares came off a full 1 point, or down 17% on its 5-3/4 price, on the news but reaction seems overdone even though this is the biggest share exposure. The lawsuit is the last in which First Memphis is involved and the fact that its shares have no overhanging dilution increases the shares' attraction.

The other three weren't affected at all by the news, leaving us with the distinct impression that the market may be discounting the decision too lightly.

We'd avoid them for awhile until the legal dust settles.

#### INVESTMENT OUTLOOK: REALTY TRUST STOCKS FLAT WHILE INTEREST RATES STILL HIGHER

Even before the Federal Reserve Board boosted the discount rate to a new record 11% on September 19, following the previous day's boost to 10½%, Chemical Bank raised its prime lending rate to 13¼%. Indications are that the Fed will go still higher to tighten credit,

Stock prices for this issue of Realty Trust Review are as of September 18, the day of the Fed increase to 10½%. Closing prices showed stocks essentially flat for the month, as trust stocks were up 1.0% while the Dow-Jones Industrials were off 1.3%. Again, the realty trust stocks have not proved especially sensitive to continued increases in the interest rate, but selectivity remains the key word in choosing stocks.

The stocks appear sensitive to earnings and dividend news; witness Denver REIA, up 10.4%, Florida Gulf, up 13.4%, Flatley, up 14.5%, and Dominion, up 26.8%. But good news outweighs poor performance: Riviere Realty up 15.8% on the sale of a D.C. office building for \$1M capital gain.

PORTFOLIO: Audit and its employees hold minor positions of less than 1,000 sh. in Barnes, First Newport, Metroplex RI., Midland Mtg., Moraga Corp., PNB Mtg. & Rlty., and United Realty.



# DIVIDEND TRENDS: FRANKLIN REALTY RESUMES, EIGHT OTHERS BOOST PAYOUT

Franklin Realty, which omitted its dividend in June, 1974, has declared a 6¢/sh. dividend payable October 15. The trust has been profitable since mid-1977 as results have benefited from falling vacancies and expanding real estate services.

Realty & Mtg. Pac.'s 57% boost led the gainers in the past month; RAMPAC's recent strong results reflect an expanding portfolio and good markets (see p. 7). Gould Investor raised its previously declared Sept. dividend 36% to 30¢/sh.; Gould anticipates record results for its Sept. fiscal year. Denver REIA raised its dividend 25% to 25¢/sh. reflecting its booming operations. Similarly, Flatley Realty reflected the sharp increase in its fiscal 1979 results

| Trust                  | Record date | --Quarterly dividend/share-- |           |          | -% Chng. from- |        |
|------------------------|-------------|------------------------------|-----------|----------|----------------|--------|
|                        |             | Latest                       | Previous  | Year-ago | Prev.Q         | Yr-ago |
| Consolidated Capital.. | 9/17        | \$0.1717M                    | \$0.1717M | \$0.17M  | UC             | + 1%   |
| Del-Val Financial....  | 9/17        | 0.12M                        | 0.12M     | 0.11M    | UC             | + 4    |
| Denver REIA.....       | 9/14        | 0.25                         | 0.20      | 0.18     | +25            | +39    |
| Federal Realty Tr....  | 9/25        | 0.35                         | 0.34      | 0.34     | + 3            | + 3    |
| First Continental....  | 9/20        | 0.28                         | 0.28+7cEX | 0.25     | UC             | +12    |
| First Union.....       | 10/19       | 0.30                         | 0.30      | 0.27     | UC             | +11    |
| Flatley Realty.....    | 9/7         | 0.30YE                       | -----     | 0.20YE   | -----          | +50    |
| Florida Gulf Realty..  | 9/6         | 0.32                         | 0.32      | 0.32     | UC             | UC     |
| FRANKLIN REALTY.....   | 10/1        | 0.06                         | None      | None     | -----          | -----  |
| Fraser Mortgage.....   | 10/1        | 0.28                         | 0.28      | 0.28     | UC             | UC     |
| GREIT Realty.....      | 10/17       | 0.10                         | 0.10      | 0.10     | UC             | UC     |
| Gould Investor.....    | 9/14        | 0.30b                        | 0.22      | 0.22     | +36            | +36    |
| Hubbard REI.....       | 9/24        | 0.43                         | 0.41      | 0.38     | + 5            | +13    |
| MassMutual Mtg.....    | 9/19        | 0.35                         | 0.34      | 0.34     | + 3            | + 3    |
| MONEY Mtg.....         | 9/28        | 0.23                         | 0.23      | 0.23     | UC             | UC     |
| Mortgage Gr. Inv.....  | 9/28        | 0.24                         | 0.22      | 0.16     | + 9            | +50    |
| New Plan Realty.....   | 9/14        | 0.07M                        | 0.07M     | 0.053M   | UC             | +31    |
| Pacific Realty Tr....  | 9/20        | 0.25                         | 0.25      | 0.20     | UC             | +25    |
| Real Estate Inv. Prop. | 10/1        | 0.32                         | 0.32      | 0.26M    | UC             | +21    |
| Realty & Mtg. Pac..... | 9/28        | 0.55                         | 0.35      | 0.32     | +57            | +72    |
| Realty Income.....     | 8/31        | 0.35                         | 0.35      | 0.35     | UC             | UC     |
| Western Mortgage.....  | 10/1        | 0.05                         | 0.05      | None     | UC             | ---    |

UC=Unchanged. M=Monthly. S=Semiannual. YE=Year-end. EX=Year-end extras.  
NC=Not computed. Trusts reducing dividend from previous quarter underlined.  
Trusts resuming dividends IN CAPS. a- Adjusted for stock splits. b- Gould increased its previously announced dividend 8¢.

by boosting its year-end dividend 50%, to 30¢. Other trusts which raised their payout in the last month were Federal Realty, Hubbard REI, MassMutual Mortgage, and Mortgage Growth.

## COMPARATIVE TRUST GROUP AVERAGE 09/18/79

| GROUP                        | QUAL | NON-QUAL | TOTAL | SHARE (000) | BOOK VALUE | ANN DIV* | EARN ANN* | LAST PRICE | -% CHNG MON AGO | FROM-- JAN 1 | P/E RATIO | ANN* YIELD | % PR TO BK | RETURN ON BK | MARKET VALUE |
|------------------------------|------|----------|-------|-------------|------------|----------|-----------|------------|-----------------|--------------|-----------|------------|------------|--------------|--------------|
| PROPERTY-LARGE               | 19   | 0        | 19    | 2200        | 15.74      | 1.27     | 1.37      | 17.96      | 1.7             | 31.9         | 13.1      | 7.1        | 14.1       | 8.7          | 842.7        |
| -SMALL                       | 7    | 0        | 7     | 978         | 13.56      | 1.28     | 1.58      | 13.59      | 2.5             | 25.0         | 8.6       | 9.4        | 0.3        | 11.7         | 87.4         |
| -SUBOR LAND                  | 3    | 0        | 3     | 1862        | 16.32      | 1.31     | 1.72      | 15.63      | 3.5             | 34.9         | 9.1       | 8.4        | -4.3       | 10.5         | 77.0         |
| AVERAGE 3 PROP GROUPS        |      |          | 29    | 1869        | 15.27      | 1.27     | 1.45      | 16.66      | 2.0             | 30.8         | 11.4      | 7.7        | 9.1        | 9.5          | 1007.1       |
| PROP & MTG COMBINATION       | 13   | 10       | 23    | 2204        | 11.33      | 0.47     | 0.65      | 10.63      | 4.3             | 57.8         | 16.1      | 4.5        | -6.2       | 5.8          | 633.7        |
| SHORT-TERM MTG               | 11   | 0        | 11    | 1757        | 15.28      | 0.72     | 0.90      | 10.87      | -2.2            | 28.9         | 12.1      | 6.7        | -28.9      | 5.9          | 222.2        |
| LONG-TERM MTG/PROP           | 13   | 0        | 13    | 3554        | 15.08      | 1.06     | 1.37      | 10.86      | -2.4            | 18.2         | 7.9       | 9.7        | -28.0      | 9.1          | 480.7        |
| MTG/FCLSD PROP-MISC          | 4    | 5        | 9     | 3289        | 5.11       | 0.00     | 0.43      | 4.68       | -2.5            | 75.6         | 10.9      | 0.0        | -8.3       | 8.4          | 139.7        |
| -BANK                        | 0    | 14       | 14    | 2491        | 5.09       | 0.01     | 0.38      | 4.67       | 0.2             | 73.7         | 12.3      | 0.3        | -8.2       | 7.5          | 138.1        |
| -INDEPEND                    | 0    | 38       | 38    | 3397        | 2.48       | 0.00     | 0.47      | 3.36       | 0.1             | 62.3         | 7.2       | 0.0        | 35.8       | 18.8         | 310.9        |
| AVERAGE 3 MTG/FCLSD PROP     |      |          | 61    | 3173        | 3.46       | 0.00     | 0.44      | 3.86       | -0.4            | 67.6         | 8.8       | 0.1        | 11.4       | 12.7         | 588.7        |
| OVERALL AVERAGE              | 70   | 67       | 137   | 2657        | 9.33       | 0.51     | 0.81      | 8.93       | 1.0             | 39.5         | 10.9      | 5.7        | -4.3       | 8.8          | 2932.4       |
| DOW-JONES INDUSTRIAL AVERAGE |      |          |       |             |            | 128.99   | 874.15    | -1.3       | 8.6             | 6.8          | 5.7       |            |            |              |              |

\*LATEST QUARTER ANNUALIZED

## STRAIGHT BONDS

## STRAIGHT BONDS

| ISSUER & DESC.       | EX | INT.  | MAT   | MIL \$ | PRICE | % CHANGE | % YIELD | ISSUER & DESC.  | EX | INT.  | MAT  | MIL \$ | PRICE | % CHANGE | % YIELD |
|----------------------|----|-------|-------|--------|-------|----------|---------|-----------------|----|-------|------|--------|-------|----------|---------|
| BAY COLONY PROP-B    | PS | 8.50  | '89   | 17.0   | 70.75 | -0.3     | 12      | MTG INV WASH-BG | OC | 12.00 | '80  | 15.0   | 89.00 | 1.1      | 13      |
| BAY COLONY PROP-C    | NY | 8.50  | '81F  | 6.8    | 96.00 | 2.1      | 8       | NATIONWIDE RE-C | OC | 7.00  | '91  | 6.5    | 64.00 | 3.2      | 10      |
| BT MTG INV-C         | OC | 5.75  | '82   | 19.4   | 73.00 | 0.0      | 7       | NO AMER MTG-B   | PS | 8.50  | '87  | 12.1   | 74.00 | 2.8      | 11      |
| CHASE MAN TR-A       | OC | 7.88  | '78F  | 36.7   | 80.00 | -2.9     | VJ      | REALTY REFUND   | NY | 11.38 | '98  | 20.0   | 97.88 | 0.4      | 11      |
| CHASE MAN TR-C       | OC | 7.50  | '83   | 41.2   | 50.00 | 0.0      | VJ      | REALTY REFUND-C | NY | 12.00 | '98  | 15.0   | 97.13 | -2.3     | 12      |
| CITIZEN & SO RLY-CD# | PS | 3.00  | '93   | 3.4    | 80.00 | -2.3     | 3       | SAUL (B.F.)-C   | NY | 8.50  | '80  | 25.0   | 97.50 | 0.4      | 8       |
| CITIZENS MTG INV-B   | OC | 8.50  | '80   | 20.0   | 41.00 | 0.0      | VJ      | SECURITY MTG    | AS | 7.25  | '82  | 35.0   | 89.50 | -0.5     | 8       |
| CHEI-C               | NY | 6.50  | '82F  | 30.0   | 68.00 | -6.1     | 9       | SECURITY MTG-C  | OC | 6.00  | '82  | 5.3    | 84.00 | 16.7     | 7       |
| CONT ILL RLY-B       | NY | 7.63  | '79   | 25.0   | 97.28 | -0.6     | 7       | SO ATLANTIC-C#  | NY | 6.75  | '82F | 16.9   | 79.88 | 3.1      | 8       |
| DOMINION MTG-C       | OC | 8.00  | '87   | 11.0   | 61.00 | 1.7      | VJ      | STATE MUT INV-B | NY | 9.00  | '80F | 6.2    | 96.63 | 0.7      | 9       |
| FIRST MTG INV-A      | OC | 6.75  | '82   | 8.9    | 80.00 | 6.7      | 8       | TRECO-C         | OC | 6.75  | '91  | 5.3    | 56.00 | 1.8      | 12      |
| FIRST VA MTG-A       | OC | 4.00  | '80   | 14.9   | 81.00 | -1.1     | 4       | TRI-SOUTH MTG-B | NY | 7.75  | '80F | 11.4   | 95.38 | -0.3     | 8       |
| FIRST VA MTG-BM      | OC | 12.00 | '80   | 5.0    | 89.00 | 1.1      | 13      |                 |    |       |      |        |       |          |         |
| GMR PROPERTIES-B     | AS | 7.70  | '80   | 5.1    | 97.50 | 0.0      | 7       |                 |    |       |      |        |       |          |         |
| GMR PROPS-B          | PS | 8.50  | '87   | 15.3   | 73.50 | 2.8      | 11      |                 |    |       |      |        |       |          |         |
| GREAT AMER MGMT-B    | OC | 3.00  | '90   | 15.0   | 47.00 | -5.9     | 6       |                 |    |       |      |        |       |          |         |
| GREAT AMER MGMT-C    | OC | 1.10  | '91   | 10.3   | 44.00 | -6.3     | 2       |                 |    |       |      |        |       |          |         |
| GROWTH RLY-C         | NY | 6.75  | '82   | 9.2    | 81.25 | -3.2     | 8       |                 |    |       |      |        |       |          |         |
| GUARDIAN MTG-B       | PH | 7.50  | '79F  | 25.0   | 50.00 | 0.0      | VJ      |                 |    |       |      |        |       |          |         |
| GUARDIAN MTG-C       | PH | 6.75  | '86F  | 8.6    | 39.00 | 0.0      | VJ      |                 |    |       |      |        |       |          |         |
| IDS REALTY-H         | OC | ----- | ----- | 86.0   | 70.00 | 12.9     | NC      |                 |    |       |      |        |       |          |         |
| INST INVESTOR-B      | OC | 8.25  | '87   | 15.2   | 68.00 | 3.0      | 12      |                 |    |       |      |        |       |          |         |
| INSTIITL INV-B       | NY | 7.88  | '80   | 5.5    | 93.63 | -0.3     | 8       |                 |    |       |      |        |       |          |         |
| METROPLEX-B          | OC | 7.75  | '79F  | 9.6    | 75.00 | 5.6      | 0       |                 |    |       |      |        |       |          |         |
| MIDLAND MTG-B        | NY | 8.00  | '80   | 14.9   | 94.63 | -0.6     | 8       |                 |    |       |      |        |       |          |         |

DESCRIPTION: A-SENIOR; B-SENIOR SUBORDINATE; C-SUBORDINATE OR JUNIOR SUBORDINATE. D-3% TO 9/30/82, 7% AFTER. M-VARIABLE AT 1 1/2% OVER MONTHLY PRIME. G-VARIABLE AT 1 1/4% OVER PRIME IN OCT. AND APRIL. H-FIVE SERIES. A-E: 6-7/8%, 7-1/8%, 7-3/8%, TWO VARIABLE; 1987-94. VJ-BANKRUPTCY REORGANIZATION.  
X-SUSPENDED BY EXCHANGE. DEF-IN DEFAULT.  
#-MAY BE USED AT PAR TO EXERCISE WARRANTS.  
F-TRADES FLAT, WITHOUT ACCRUED INTEREST.



| RELATIVE<br>APPEAL                                    | EXCH/<br>SYMBOL   | SHARE<br>(000) | BOOK<br>VALUE | ANN<br>DIV | -EARNINGS--<br>MON ANN | LAST<br>PRICE | % CHANGE<br>MON AGO | FROM-<br>JAN 1 | P/E<br>RATIO | ANN<br>YIELD | % PR<br>TO BK | RETURN<br>ON BK | MKT VA<br>(MIL\$) |
|---|-------------------|----------------|---------------|------------|------------------------|---------------|---------------------|----------------|--------------|--------------|---------------|-----------------|-------------------|
| PROPERTY TRUSTS-OVER \$25M ASSETS                     |                   |                |               |            |                        |               |                     |                |              |              |               |                 |                   |
| 2   | AMER EQUITY IT#   | OC-AEQTS       | 2497          | 11.08      | 1.30 JUN               | 1.36 12.50    | 22.0                | 56.3           | 9.2          | 10.4         | 12.8          | 12.3            | 31.2              |
| NR  | CMNWLTB RLTY #    | OC-CRTYC       | 1305          | 10.03      | 0.80 MAY               | 0.77 9.25     | 5.7                 | -2.6           | 12.0         | 8.6          | -7.8          | 7.7             | 12.1              |
| 3   | CONSOL CAP RLY#   | OC-CCPLS       | 1989          | 24.80      | 2.06 MAY               | 2.24 28.50 X  | -2.8                | 14.0           | 12.7         | 7.2          | -14.9         | 9.0             | 56.7              |
| 2   | DENVER REIA#      | OC-DENVLS      | 1101          | 17.12      | 1.00 JUN               | 1.68 18.25 X  | 10.4                | 73.8           | 10.9         | 5.5          | 6.6           | 9.8             | 20.1              |
| 1   | FEDERAL REALTY#   | AS-FRT         | 1434          | 13.87      | 1.40 JUN               | 1.00 17.13    | -0.7                | 15.1           | 17.1         | 8.2          | 23.5          | 7.2             | 24.6              |
| 1   | FIRST UNION #     | NY-FIR         | 4929          | 16.60      | 1.20 JUN               | 1.28 16.63    | -2.2                | 54.7           | 13.0         | 7.2          | 0.2           | 7.7             | 82.0              |
| 1   | FLORIDA GULF#     | OC-FGLFS       | 997           | 20.19      | 1.28 JUN               | 1.40 17.25 X  | 13.4                | 46.8           | 12.3         | 7.4          | -14.6         | 6.9             | 17.2              |
| 3   | GENERAL GROWTH#   | NY-GGP         | 6202          | 11.31      | 1.56 JUN               | 1.76 43.50 X  | -2.5                | 64.9           | 24.7         | 3.6          | 284.6         | 15.6            | 269.8             |
| 2   | GOULD INVESTOR#   | AS-GTR         | 1170          | 18.83      | 1.20 JUN               | 1.64 13.88 X  | -1.4                | 60.8           | 8.5          | 8.6          | -26.3         | 8.7             | 16.2              |
| 2   | GREIT REALTY      | AS-GRT         | 998           | 11.39      | 0.40 JUL               | 0.72 10.50    | 2.4                 | 47.3           | 14.6         | 3.8          | -7.8          | 6.3             | 10.5              |
| 2   | HUBBARD REI       | NY-HRE         | 4004          | 24.86      | 1.72 JUL               | 1.84 17.75 X  | -3.7                | 10.0           | 9.6          | 9.7          | -28.6         | 7.4             | 71.1              |
| 1   | NEW PLAN RLTY#    | AS-NPR         | 3041          | 6.10       | 0.84 APR               | 0.72 9.25 X   | -8.0                | 0.0            | 12.8         | 9.1          | 51.6          | 11.8            | 28.1              |
| 1   | PENN REIT         | AS-PEI         | 1561          | 14.05      | 1.65 MAY               | 2.16 22.38    | 0.6                 | 37.7           | 10.4         | 7.4          | 59.3          | 15.4            | 34.9              |
| 2   | REIT OF AMERICA   | AS-REI         | 1633          | 22.59      | 1.60 AUG               | 1.63 21.00    | 1.2                 | 34.4           | 12.9         | 7.6          | -7.0          | 7.2             | 34.3              |
| 2   | SAN FRAN RE #     | AS-SFI         | 1387          | 25.03      | 1.60 JUN               | 1.72 22.88    | -2.6                | 23.7           | 13.3         | 7.0          | -8.6          | 6.9             | 31.7              |
| NR  | UNIVERSITY REIT # | OC-URETS       | 2514          | 9.00       | 0.96 MAR               | 0.32 9.00 X   | -6.9                | -8.9           | 28.1         | 10.7         | 0.0           | 3.6             | 22.6              |
| NR  | USP REIT #        | OC-USPTS       | 2500          | 9.25       | 0.68 DEC               | 0.69 8.00     | -5.9                | 3.2            | 11.6         | 8.5          | -13.5         | 7.5             | 20.0              |
| 2   | VIRGINIA REI#     | OC-VARES       | 1017          | 14.45      | 0.80 JUN               | 0.72 13.25    | 1.9                 | 12.8           | 18.4         | 6.0          | -8.3          | 5.0             | 13.5              |
| 2   | WASH REIT #       | AS-WRE         | 1519          | 18.44      | 2.12 JUN               | 2.36 30.38 X  | 3.0                 | 44.7           | 12.9         | 7.0          | 64.8          | 12.8            | 46.1              |
| GROUP AVERAGE   |                   |                | 2200          | 15.74      | 1.27                   | 1.37 17.96    | 1.7                 | 31.9           | 13.1         | 7.1          | 14.1          | 8.7             | 842.7             |
| PROPERTY TRUSTS-SPECIALITY PROPS & UNDER \$25M ASSETS |                   |                |               |            |                        |               |                     |                |              |              |               |                 |                   |
| NR  | GENERAL RE SHS    | OC-GRELS       | 557           | 7.69       | 1.21 JUN               | 0.92 12.50    | -3.8                | 66.7           | 13.6         | 9.7          | 62.5          | 12.0            | 7.0               |
| 1   | HOTEL INVESTOR#   | AS-HOT         | 1679          | 19.61      | 2.00 MAY               | 3.16 20.13    | -0.6                | 26.8           | 6.4          | 9.9          | 2.7           | 16.1            | 33.8              |
| NR  | PITTS & W VA RR   | AS-PW          | 1510          | 23.08      | 0.56 JUN               | 0.72 5.75 X   | -3.9                | 0.0            | 8.0          | 9.7          | -75.1         | 3.1             | 8.7               |
| NR  | RE INV PROPS #    | OC-REIPS       | 959           | 8.59       | 1.28 JUN               | 1.48 10.75    | 2.4                 | -2.3           | 7.3          | 11.9         | 25.1          | 17.2            | 10.3              |
| NR  | REIT OF CALIF     | OC-RTCAL       | 550           | 9.32       | 1.28 JUN               | 1.48 16.00    | 6.7                 | 6.7            | 10.8         | 8.0          | 71.7          | 15.9            | 8.8               |
| NR  | TERRYDALE R#      | OC-TRYLS       | 336           | 23.36      | 1.80 JUN               | 2.28 20.50    | 6.5                 | 46.4           | 9.0          | 8.8          | -12.2         | 9.8             | 6.9               |
| NR  | US EQUITY & MTG   | OC-USEM        | 1254          | 3.24       | 0.80 APR               | 1.04 9.50     | -9.5                | 35.7           | 9.1          | 8.4          | 193.2         | 32.1            | 11.9              |
| GROUP AVERAGE   |                   |                | 978           | 13.56      | 1.28                   | 1.58 13.59    | 2.5                 | 25.0           | 8.6          | 9.4          | 0.3           | 11.7            | 87.4              |
| PROPERTY TRUSTS-SUBOR LAND LEASEBACK                  |                   |                |               |            |                        |               |                     |                |              |              |               |                 |                   |
| 2   | ICM REALTY        | AS-ICM         | 3011          | 15.53      | 0.50 AUG               | 1.56 11.88    | -1.0                | 39.8           | 7.6          | 4.2          | -23.5         | 10.0            | 35.8              |
| 2   | JMB REALTY        | OC-JMBRS       | 510           | 19.71      | 2.00 MAY               | 2.16 20.00    | 0.0                 | 31.1           | 9.3          | 10.0         | 1.5           | 11.0            | 10.2              |
| 2   | PROPERTY CAPITL   | AS-PCL         | 2065          | 13.73      | 1.44 JUL               | 1.44 15.00 X  | 5.0                 | 36.4           | 10.4         | 9.6          | 9.2           | 10.5            | 31.0              |
| GROUP AVERAGE   |                   |                | 1862          | 16.32      | 1.31                   | 1.72 15.63    | 3.5                 | 34.9           | 9.1          | 8.4          | -4.3          | 10.5            | 77.0              |
| PROPERTY & MTG COMBINATION                            |                   |                |               |            |                        |               |                     |                |              |              |               |                 |                   |
| 2N  | API TRUST         | OC-APIIS       | 1012          | 7.15       | 0.00 DEC               | 0.03 2.13     | -14.8               | 0.0            | 71.0         | 0.0          | -70.2         | 0.4             | 2.2               |
| 2   | BANKAMER RLTY     | OC-BRLTS       | 3547          | 17.28      | 1.20 JUL               | 1.18 19.00 X  | 5.8                 | 83.0           | 16.1         | 6.3          | 10.0          | 6.8             | 67.4              |
| 2N  | BRT REALTY        | AS-BRT         | 1400          | 2.17       | 0.00 MAY               | 0.00 1.50     | -8.0                | 20.0           | 0.0          | 0.0          | -30.9         | 0.0             | 2.1               |
| 1   | CONN GEN M&R#     | NY-CGM         | 5738          | 20.52      | 2.00 JUN               | 2.46 25.00    | -3.8                | 38.9           | 10.2         | 8.0          | 21.8          | 12.0            | 143.5             |
| 2   | FLATLEY RLTY #    | OC-FLILS       | 1000          | 9.88       | 0.30 JUN               | 0.92 6.00 X   | 14.5                | 60.0           | 6.5          | 5.0          | -39.3         | 9.3             | 6.0               |
| 2   | IRT PROP CO #     | AS-IRT         | 2330          | 11.97      | 0.60 MAY               | 1.04 10.25    | 2.5                 | 38.9           | 9.9          | 5.9          | -14.4         | 8.7             | 23.9              |
| 2   | MILLER HENRY S    | OC-HSMTS       | 560           | 18.68      | 1.20 MAY               | 1.54 16.50    | 6.5                 | 32.0           | 10.7         | 7.3          | -11.7         | 8.2             | 9.2               |
| 1   | MORTGAGE GRO #    | AS-MTG         | 2644          | 11.86      | 0.96 MAY               | 0.88 9.75     | -4.9                | 41.7           | 11.1         | 9.8          | -17.8         | 7.4             | 25.8              |
| 2   | PACIFIC-RLTY#     | AS-PTR         | 860           | 22.21      | 1.00 MAY               | 2.17 22.75 X  | 24.3                | 63.9           | 10.5         | 4.4          | 2.4           | 9.8             | 19.1              |
| 2   | PROP TR AMER#     | OC-PTAS        | 2338          | 9.02       | 0.40 JUN               | 0.44 6.13     | 0.0                 | 32.4           | 13.9         | 6.5          | -32.0         | 4.9             | 14.3              |
| 2   | REALTY INCOME     | AS-RIT         | 1591          | 10.54      | 1.40 JUL               | 0.00 11.00 X  | -7.3                | 0.0            | 0.0          | 12.7         | 4.4           | 0.0             | 17.5              |
| 3N  | RIVIERE RLTY #    | OC-N/A         | 783           | 13.91      | 0.00 JUN               | 0.00 5.50     | 15.8                | -5.5           | 0.0          | 0.0          | -60.5         | 0.0             | 4.3               |
| 2   | WELLS FARGO M&E   | NY-WFM         | 3940          | 18.05      | 1.40 JUN               | 1.93 16.63    | -3.6                | 46.1           | 8.6          | 8.4          | -7.9          | 10.7            | 65.5              |
| GROUP AVERAGE   |                   |                | 2133          | 13.33      | 0.80                   | 0.97 11.70    | 4.4                 | 39.6           | 12.1         | 6.9          | -12.2         | 7.3             | 400.8             |
| SHORT TERM MTG-MTG BANKER & MISC FIN SPONSOR          |                   |                |               |            |                        |               |                     |                |              |              |               |                 |                   |
| 1   | BAYSWATER RLTY    | OC-BRLTS       | 1043          | 15.65      | 0.05 APR               | 0.35 11.00    | -6.4                | 46.7           | 31.4         | 0.5          | -29.7         | 2.2             | 11.5              |
| 2   | CENTRAL MTG       | OC-CMRTS       | 775           | 13.79      | 0.40 JUN               | 1.16 10.50    | 11.9                | 104.7          | 9.1          | 3.8          | -23.9         | 8.4             | 8.1               |
| 2   | FIRST CONTNL      | OC-FCRTS       | 2106          | 10.48      | 1.12 AUG               | 1.28 8.75     | -2.8                | 9.4            | 6.8          | 12.8         | -16.5         | 12.2            | 18.4              |
| 3   | FRASER MTG        | OC-FRASS       | 1038          | 16.58      | 1.12 AUG               | 1.08 10.50    | -10.6               | 0.0            | 9.7          | 10.7         | -36.7         | 6.5             | 10.9              |
| 2N  | HANOVER SO RLTY   | AS-HSQ         | 946           | 11.17      | 0.00 MAY               | 0.00 7.13     | -13.6               | 1.9            | 0.0          | 0.0          | -36.2         | 0.0             | 6.7               |
| 2   | LOMAS & NETLITN   | NY-LOM         | 3700          | 27.86      | 2.20 JUN               | 2.20 19.13    | -6.1                | 24.4           | 8.7          | 11.5         | -31.3         | 7.9             | 70.8              |
| 2   | M&T MORTGAGE      | OC-MTMIS       | 1482          | 10.53      | 1.60 MAY               | 1.80 13.75    | 1.9                 | 50.6           | 7.6          | 11.6         | 30.6          | 17.1            | 20.4              |
| 1N  | MTG TRUST AMER    | NY-MT          | 3860          | 13.77      | 0.00 MAY               | 0.62 7.63     | -4.6                | 27.2           | 12.3         | 0.0          | -44.6         | 4.5             | 29.5              |
| 2   | NATIONWIDE RE     | OC-NRELS       | 1047          | 24.40      | 0.28 JUN               | 0.28 15.75 X  | 0.4                 | 26.0           | 56.3         | 1.8          | -35.5         | 1.1             | 16.5              |
| 2   | SUTRO MTG INV     | NY-SUT         | 2322          | 15.65      | 1.00 JUN               | 0.86 10.50    | -8.7                | 27.3           | 12.2         | 9.5          | -32.9         | 5.5             | 24.4              |
| 2   | WESTERN MTG       | BO-WMTGS       | 1003          | 8.22       | 0.20 MAY               | 0.26 4.94     | 1.2                 | 46.2           | 19.0         | 4.0          | -39.9         | 3.2             | 5.0               |
| GROUP AVERAGE   |                   |                | 1757          | 15.28      | 0.72                   | 0.90 10.87    | -2.2                | 28.9           | 12.1         | 6.7          | -28.9         | 5.9             | 222.2             |
| LONG-TERM MTGS & PROPERTIES                           |                   |                |               |            |                        |               |                     |                |              |              |               |                 |                   |
| 2N  | BT MTG INVSTRS    | NY-BTM         | 2116          | 0.99       | 0.00 JUN               | 3.79 2.50     | -9.1                | 100.0          | 0.7          | 0.0          | 152.5         | 382.8           | 5.3               |
| NR  | DEL-VAL FIN CP*   | OC-DVALS       | 1345          | 9.36       | 1.44 JUN               | 1.40 11.00 X  | -1.2                | 4.8            | 7.9          | 13.1         | 17.5          | 15.0            | 14.8              |
| 3   | EQUIT LF MTG      | NY-EQ          | 5663          | 23.39      | 2.00 JUL               | 1.88 17.25    | -10.4               | 3.0            | 9.2          | 11.6         | -26.3         | 8.0             | 97.7              |
| 1   | HOSPITAL MTG#     | AS-HMG         | 1178          | 23.45      | 0.60 MAY               | 0.86 13.13    | 3.0                 | 50.1           | 15.3         | 4.6          | -44.0         | 3.7             | 15.5              |
| 1   | MASSMUTUAL MTG    | NY-MML         | 4670          | 19.76      | 1.40 JUL               | 1.45 13.25 X  | 0.7                 | 6.0            | 9.1          | 10.6         | -32.9         | 7.3             | 61.9              |
| 2   | MONY MTG INV      | NY-MYM         | 8952          | 9.79       | 0.92 AUG               | 0.92 9.00     | 2.9                 | 18.0           | 9.8          | 10.2         | -8.1          | 9.4             | 80.6              |
| 3   | NOWSTRN MUT MT    | NY-NML         | 4758          | 19.06      | 1.00 JUN               | 1.08 11.13    | -3.2                | 11.3           | 10.3         | 9.0          | -41.6         | 5.7             | 53.0              |
| 1   | PACIFIC SO MTG    | OC-PSMTS       | 800           | 12.08      | 1.20 JUN               | 0.97 9.00     | 0.0                 | 30.8           | 9.3          | 13.3         | -25.5         | 8.0             | 7.2               |
| 2   | PNB MTG & RLTY    | NY-PNI         | 2437          | 19.11      | 1.08 JUN               | 1.04 10.50    | -12.5               | 25.3           | 10.1         | 10.3         | -45.1         | 5.4             | 25.6              |
| 3   | REALTY REFUND     | NY-RRF         | 1377          | 17.34      | 1.60 JUL               | 1.60 12.75 X  | -11.6               | -1.9           | 8.0          | 12.5         | -26.5         | 9.2             | 17.6              |
| 2   | RLTY & MTG PAC    | OC-RPACS       | 1890          | 18.23      | 1.60 AUG               | 1.80 16.50    | -2.3                | 34.7           | 9.2          | 9.7          | -9.5          | 9.9             | 31.2              |
| 1N  | SECURITY MTG      | AS-SMO         | 7412          | 5.86       | 0.00 JUN               | 0.14 4.13     | -5.7                | 22.2           | 29.5         | 0.0          | -29.5         | 2.4             | 30.6              |
| 1   | UNITED REALTY     | AS-URT         | 3610          | 17.61      | 0.88 MAY               | 0.84 11.00    | 1.1                 | 35.3           | 13.1         | 8.0          | -37.5         | 4.8             | 39.7              |
| GROUP AVERAGE   |                   |                | 3554          | 15.08      | 1.06                   | 1.37 10.86    | -2.4                | 18.2           | 7.9          | 9.7          | -28.0         | 9.1             | 480.7             |
| MTG & FORECLOSED PROPERTY-MISC SPONSOR                |                   |                |               |            |                        |               |                     |                |              |              |               |                 |                   |
| 2N  | Y CMT INVSTMT     | OC-CMTIS       | 2030          | 2.96       | 0.00 JUN               | 0.13 2.81     | -2.4                | 87.3           | 21.6         | 0.0          | -5.1          | 4.4             | 5.7               |
| 4N  | HEITMAN MTG       | AS-HTM         | 3292          | 1.41       | 0.00 JUN               | 0.00 2.75     | -8.3                | 99.3           | 0.0          | 0.0          | 95.0          | 0.0             | 9.1               |
| 3N  | MISSION INV TR    | AS-MIT         | 1812          | 5.95       | 0.00 AUG               | 0.99 7.25     | 7.4                 | 56.6           | 7.3          | 0.0          | 21.8          | 16.6            | 13.1              |
| 3N  | NORTH AMER MTG    | NY-NAM         | 6901          | 5.80       | 0.00 JUN               | 0.00 4.38     | -10.2               | 59.3           | 0.0          | 0.0          | -24.5         | 0.0             | 30.2              |
| GROUP AVERAGE   |                   |                | 3509          | 4.03       | 0.00                   | 0.28 4.30     | -1.8                | 67.5           | 15.3         | 0.0          | 6.6           | 6.9             | 58.1              |



| RELATIVE<br>APPEAL                                      | EXCH/<br>SYMBOL   | SHARE<br>(000) | BOOK<br>VALUE | ANN<br>DIV | -EARNINGS--<br>MON ANN | LAST<br>PRICE | % CHANGE<br>MON AGO | FROM-<br>JAN 1 | P/E<br>RATIO | ANN<br>YIELD | % PR<br>TO BK | RETURN<br>ON BK | MKT VA<br>(MIL\$) |
|---|-------------------|----------------|---------------|------------|------------------------|---------------|---------------------|----------------|--------------|--------------|---------------|-----------------|-------------------|
| PROP & MTG COMBINATION-NON-QUALIFIED (MOST INDEPENDENT) |                   |                |               |            |                        |               |                     |                |              |              |               |                 |                   |
| 5N  | AMER REALTY       | OC-ARB         | 2222          | 3.14       | 0.00                   | JUN           | 0.10 ↑              | 3.13           | 4.3          | 56.5         | 31.3          | 0.0             | -0.3              |
| 3N  | BAY COLONY PROP   | NY-BAY         | 3315          | 6.28       | 0.00                   | MAY           | 0.01                | 9.75           | 41.7         | 143.8        | 975.0         | 0.0             | 55.3              |
| 3N  | CITIZENS GROWTH   | OC-CITGS       | 811           | 7.01       | 0.00                   | APR           | 0.04                | 4.50           | 0.0          | 63.6         | 112.5         | 0.0             | -35.8             |
| 2   | FRANKLIN RLTY     | AS-FR          | 999           | 8.19       | 0.06 ↑                 | MAR           | 0.17                | 10.25          | 7.9          | 105.0        | 60.3          | 0.6             | 25.2              |
| 1N  | INDIANA FCL INV   | OC-IFLI        | 1154          | 9.19       | 0.00                   | JUN           | 0.00 ↓              | 6.50           | 0.0          | 85.7         | 0.0           | 0.0             | -29.3             |
| 2   | KENILWORTH RL#    | NY-KRT         | 2609          | 21.81      | 0.40                   | MAY           | 1.03                | 29.88          | 0.0          | 165.6        | 29.0          | 1.3             | 37.0              |
| 2N  | SAUL (BF) REIT    | NY-BFS         | 5893          | 4.33       | 0.00                   | JUN           | 0.22                | 8.38           | -2.9         | 31.3         | 38.1          | 0.0             | 93.5              |
| 2N  | US REALTY #       | NY-UTY         | 3424          | 14.33      | 0.00                   | JUN           | 0.56                | 9.13           | -5.2         | 87.1         | 16.3          | 0.0             | -36.3             |
| 2N  | WALTER REALTY     | OC-WALYS       | 1035          | 7.93       | 0.00                   | JUL           | 0.31 ↑              | 6.00           | 0.0          | 29.6         | 19.4          | 0.0             | -24.3             |
| 2   | WISCONSIN REIT    | OC-WREIS       | 1514          | 5.15       | 0.04                   | JUN           | 0.14 ↑              | 4.88           | 8.4          | 199.4        | 34.9          | 0.8             | -5.2              |
| GROUP AVERAGE   |                   | 2298           | 8.74          | 0.05       | 0.26                   | 9.24          | 4.0                 | 100.8          | 35.8         | 0.5          | 5.8           | 3.0             | 232.9             |
| MTG & FORECLOSED PROP-NON-QUALIFIED-INDEPENDENT MGMT    |                   |                |               |            |                        |               |                     |                |              |              |               |                 |                   |
| 2N  | ATLANTA NATL      | PH-ATNAS       | 1273          | 8.70       | 0.00                   | MAY           | 0.00                | 4.75           | -11.7        | 18.8         | 0.0           | 0.0             | -45.4             |
| 2N  | BARNES MTG INV    | OC-BARNS       | 1910          | 9.03       | 0.00                   | JUN           | 0.00                | 2.88           | 15.2         | 53.2         | 0.0           | 0.0             | -68.1             |
| 4N  | BUILDERS INV      | OC-BULDS       | 2929          | 0.21       | 0.00                   | JUN           | 0.00                | 2.19           | -5.2         | -8.0         | 0.0           | 0.0             | 942.9             |
| 2N  | CAPITAL MTG       | PH-CMU         | 1675          | -0.73      | 0.00                   | JUN           | 0.00                | 1.25           | 0.0          | 42.0         | 0.0           | 0.0             | -0.0              |
| 5N  | VJCITIZENS MTG    | OC-CZM         | 1421          | -17.17     | 0.00                   | SEP           | 0.00                | 0.38           | 0.0          | 52.0         | 0.0           | 0.0             | -0.0              |
| 1N  | COMPASS INV GP    | OC-CMPSS       | 3300          | 3.86       | 0.00                   | JUN           | 0.05 ↑              | 1.50           | 8.7          | 20.0         | 30.0          | 0.0             | -61.1             |
| 3N  | VJCONTINENTAL MTG | OC-CMI         | 20838         | -6.54      | 0.00                   | SEP           | 0.04                | 0.40           | -11.1        | 110.5        | 10.0          | 0.0             | -0.0              |
| 2N  | DIVERSIFIED MTG   | NY-DMG         | 7326          | 8.12       | 0.00                   | JUN           | 0.00                | 5.50           | 10.0         | 51.5         | 0.0           | 0.0             | -32.3             |
| 3N  | VJDOMINION M&R    | OC-DMRTS       | 639           | -9.45      | 0.00                   | MAY           | 0.00 ↓              | 1.75           | 26.8         | 98.9         | 0.0           | 0.0             | -0.0              |
| 1N  | EASTOVER CORP     | OC-EASTS       | 1034          | 13.23      | 0.00                   | JUN           | 0.34                | 12.00          | -4.0         | 60.0         | 35.3          | 0.0             | -9.3              |
| 2N  | FIRST CAROLINA    | OC-FCARS       | 1510          | 14.72      | 0.00                   | JUN           | 0.13                | 8.75           | -1.5         | 7.6          | 67.3          | 0.0             | -40.6             |
| 2N  | FIRST MORTGAGE    | OC-FMTGS       | 8495          | -5.72      | 0.00                   | APR           | 0.07                | 1.56           | -17.0        | 147.6        | 22.3          | 0.0             | -0.0              |
| 2N  | FIRST NEWPORT R   | OC-FNPRS       | 2339          | 3.66       | 0.00                   | JUL           | 0.15 ↑              | 3.13           | -7.4         | 126.8        | 20.9          | 0.0             | -14.5             |
| 3N  | FIRST VIR REIT    | OC-FVM         | 1208          | 7.44       | 0.00                   | MAR           | 0.74                | 4.50           | 2.7          | 226.1        | 6.1           | 0.0             | -39.5             |
| 1N  | Y GREAT AMER M&I  | OC-GAMI        | 7372          | -0.94      | 0.00                   | APR           | 0.00                | 3.63           | -3.2         | 855.3        | 0.0           | 0.0             | -0.0              |
| 2N  | GROWTH RLTY       | NY-GRW         | 2059          | 6.84       | 0.00                   | JUN           | 0.03 ↑              | 5.25           | -4.5         | 31.3         | 175.0         | 0.0             | -23.2             |
| 3N  | VJGUARDIAN MTG    | PH-GMI         | 3000          | -11.76     | 0.00                   | MAY           | 0.74                | 1.38           | 5.3          | 146.4        | 1.9           | 0.0             | -0.0              |
| 2N  | HAMILTON INV      | OC-HAMTS       | 2175          | 5.36       | 0.00                   | JUN           | 0.00                | 4.13           | 0.0          | 106.5        | 0.0           | 0.0             | -22.9             |
| 2N  | INSTITUTIONAL     | NY-INV         | 6798          | 1.18       | 0.00                   | JUL           | 0.00                | 1.75           | 7.4          | -12.5        | 0.0           | 0.0             | 48.3              |
| 2N  | KENTUCKY PROPTY   | OC-KMTGS       | 1100          | 3.22       | 0.00                   | MAY           | 0.20                | 2.75           | -4.5         | 29.1         | 13.8          | 0.0             | -14.6             |
| 5N  | Y LIPETIME COM    | OC-LFRTS       | 6666          | 3.10       | 0.00                   | JUL           | 0.16 ↑              | 1.00           | -11.5        | 58.7         | 6.3           | 0.0             | -67.7             |
| 2N  | LINCOLN MTG       | OC-LNMGS       | 1155          | 0.72       | 0.00                   | JUN           | 0.00                | 2.50           | -9.1         | 33.0         | 0.0           | 0.0             | 247.2             |
| 1N  | MARYLAND REALTY   | OC-MDRTS       | 760           | 8.43       | 0.00                   | MAY           | 0.00                | 4.63           | 0.0          | 45.6         | 0.0           | 0.0             | -45.1             |
| 3N  | Y METROPLEX RLTY  | OC-JMI         | 11840         | 0.95       | 0.00                   | JUN           | 0.05 ↑              | 0.63           | 0.0          | 65.8         | 12.6          | 0.0             | -33.7             |
| 2N  | MIDLAND MTG       | NY-MMT         | 2382          | 0.16       | 0.00                   | MAR           | 0.00                | 3.88           | 3.5          | 121.7        | 0.0           | 0.0             | 2325.0            |
| 1N  | MORAGA CORP       | OC-MORA        | 1355          | 7.88       | 0.00                   | APR           | 0.97                | 6.75           | 10.1         | 115.7        | 7.0           | 0.0             | -14.3             |
| 3N  | MTG INV WASH      | OC-MINVS       | 2146          | 3.79       | 0.00                   | JUN           | 0.02 ↑              | 2.75           | 4.6          | 57.1         | 137.5         | 0.0             | -27.4             |
| 4N  | Y NATIONAL MTG    | OC-NMP         | 3707          | 2.17       | 0.00                   | MAY           | 0.16                | 1.19           | 0.0          | 63.0         | 7.4           | 0.0             | -45.2             |
| 3N  | NEWCORP INC       | NY-NVC         | 3854          | 1.39       | 0.00                   | MAY           | 0.48                | 2.50           | -9.1         | -4.9         | 5.2           | 0.0             | 79.9              |
| 3N  | Y NJB PRIME INV   | OC-NJBSS       | 1852          | 3.93       | 0.00                   | MAY           | 11.54               | 3.38           | -15.5        | 238.0        | 0.3           | 0.0             | -14.0             |
| 5N  | PLAZA REALTY      | OC-PRISS       | 1114          | 0.82       | 0.00                   | MAR           | 0.00                | 1.88           | 0.0          | 113.6        | 0.0           | 0.0             | 129.3             |
| 3N  | REPUBLIC MTG      | NY-RMI         | 2107          | 2.90       | 0.00                   | JUN           | 0.00                | 1.88           | 0.0          | 36.2         | 0.0           | 0.0             | -35.2             |
| 2N  | SOUTH ATLANTIC    | NY-SAT         | 2706          | 3.73       | 0.00                   | JUL           | 1.05 ↑              | 4.50           | -5.3         | 50.0         | 4.3           | 0.0             | 20.6              |
| 2N  | TEXAS FIRST MTG   | OC-TFMRS       | 1055          | 8.00       | 0.00                   | JUN           | 0.13                | 5.88           | 6.9          | 96.0         | 45.2          | 0.0             | -26.5             |
| 2N  | TIERCO            | OC-TIERS       | 1186          | 6.97       | 0.00                   | JUN           | 0.56                | 5.13           | -4.6         | 95.1         | 9.2           | 0.0             | -26.4             |
| 2N  | TRECO INC         | OC-TRECS       | 2299          | 1.24       | 0.00                   | JUN           | 0.08                | 1.69           | 8.3          | 59.4         | 21.1          | 0.0             | 36.3              |
| 4N  | UMET TRUST        | NY-UAT         | 2109          | 0.19       | 0.00                   | MAY           | 0.00                | 2.88           | 4.7          | 53.2         | 0.0           | 0.0             | 1415.8            |
| 2N  | WESTPORT CO       | OC-NSPTS       | 2388          | 4.51       | 0.00                   | JUL           | 0.00                | 5.38           | 28.4         | 120.5        | 0.0           | 0.0             | 19.3              |
| GROUP AVERAGE   |                   | 3397           | 2.48          | 0.00       | 0.47                   | 3.36          | 0.1                 | 62.3           | 7.2          | 0.0          | 35.8          | 18.8            | 310.9             |
| MTG & FORECLOSED PROP-NON-QUALIFIED-COMCL BANK SPONSOR  |                   |                |               |            |                        |               |                     |                |              |              |               |                 |                   |
| 3N  | AMER FLETCHER M   | OC-AFM         | 1352          | 1.37       | 0.00                   | APR           | 0.00                | 2.63           | 31.5         | 61.3         | 0.0           | 0.0             | 92.0              |
| 1N  | CAMERON-BROWN     | NY-CB          | 2016          | 9.52       | 0.00                   | JUN           | 0.86                | 5.50           | -2.3         | 109.1        | 6.4           | 0.0             | -42.2             |
| 5N  | VJCHASE MAN MTG   | OC-CMR         | 5198          | -5.94      | 0.00                   | MAY           | 0.28 ↑              | 1.13           | 6.6          | 126.0        | 4.0           | 0.0             | -0.0              |
| NR  | CITINATL DEV      | OC-N/A         | 600           | 13.24      | 0.00                   | JUN           | 0.06 ↑              | 8.75           | 9.4          | 16.7         | 145.8         | 0.0             | -33.9             |
| 3N  | CITIZENS&O RLTY   | NY-CZS         | 5443          | 1.59       | 0.00                   | MAR           | 0.00                | 2.00           | -11.1        | 77.0         | 0.0           | 0.0             | 25.8              |
| 1   | CLEVELAND RLTY    | OC-CTRIS       | 2525          | 10.77      | 0.20                   | JUN           | 0.15                | 7.88 X         | 2.3          | 110.1        | 52.5          | 2.5             | -26.8             |
| 1N  | FIDELCO GROWTH    | AS-FGI         | 1580          | 8.04       | 0.00                   | MAY           | 1.22                | 6.63           | 10.5         | 60.5         | 5.4           | 0.0             | -17.5             |
| 2N  | FIRST DENVER MI   | OC-FDENS       | 1621          | 7.48       | 0.00                   | JUN           | 0.07                | 4.25           | -3.0         | 99.5         | 60.7          | 0.0             | -43.2             |
| 2N  | FIRST MEMPHIS     | OC-FMEMS       | 1156          | 7.55       | 0.00                   | MAY           | 0.71 ↓              | 4.75           | -19.2        | 72.7         | 6.7           | 0.0             | -37.1             |
| 3N  | FIRST PENN MTG    | NY-FPM         | 2961          | 1.34       | 0.00                   | APR           | 0.00                | 2.63           | 0.0          | 75.3         | 0.0           | 0.0             | 96.3              |
| 3N  | FIRST WISCONSIN   | OC-FWMTS       | 1988          | 5.43       | 0.00                   | JUN           | 0.01 ↑              | 6.25           | -19.4        | 117.0        | 625.0         | 0.0             | 15.1              |
| 4N  | INDEPENDENCE MT   | OC-IMTGS       | 2500          | -3.82      | 0.00                   | MAR           | 0.05                | 3.00           | 9.1          | 200.0        | 60.0          | 0.0             | -0.0              |
| 1N  | TRI-SOUTH MTG     | NY-TSI         | 2597          | 5.62       | 0.00                   | JUN           | 1.90                | 3.50           | -3.6         | 55.6         | 1.8           | 0.0             | -37.7             |
| 2N  | WACHOVIA RLTY     | NY-WRI         | 3335          | 9.03       | 0.00                   | MAY           | 0.00                | 6.50           | 15.5         | 67.5         | 0.0           | 0.0             | -28.0             |
| GROUP AVERAGE   |                   | 2491           | 5.09          | 0.01       | 0.38                   | 4.67          | 0.2                 | 73.7           | 12.3         | 0.3          | -8.2          | 7.5             | 138.1             |
| MTG & FORECLOSED PROP-NON-QUALIFIED-MISC FIN SPONSORS   |                   |                |               |            |                        |               |                     |                |              |              |               |                 |                   |
| 2N  | AMER CENTURY MI   | NY-ACI         | 2607          | 5.38       | 0.00                   | JUN           | 0.32                | 6.00           | -9.5         | 91.7         | 18.8          | 0.0             | 11.5              |
| 3N  | CI MTG GROUP      | PH-CI          | 4812          | 6.88       | 0.00                   | JUL           | 0.44 ↓              | 6.88           | -1.7         | 129.3        | 15.6          | 0.0             | 0.0               |
| 1N  | GMR PROP          | NY-GMR         | 2957          | 2.40       | 0.00                   | MAY           | 0.00                | 3.50           | -6.7         | 86.2         | 0.0           | 0.0             | 45.8              |
| 2N  | IDS REALTY        | OC-IDR         | 2409          | 6.14       | 0.00                   | APR           | 1.81                | 3.63           | 0.0          | 163.0        | 2.0           | 0.0             | -40.9             |
| 2N  | STATE MUTUAL      | NY-SMU         | 2786          | 9.11       | 0.00                   | JUN           | 0.19                | 5.00           | 5.3          | 14.2         | 26.3          | 0.0             | -45.1             |
| GROUP AVERAGE   |                   | 3114           | 5.98          | 0.00       | 0.55                   | 5.00          | -2.9                | 81.6           | 9.1          | 0.0          | -16.4         | 9.2             | 81.6              |
| PREFERRED STOCK & REIT FUNDS                            |                   |                |               |            |                        |               |                     |                |              |              |               |                 |                   |
| NR  | QMT INV TR-PFD    | OC-QMTIP       | 2149          | 7.50 L     | 0.00                   | JUN           | 0.13                | 2.75           | -4.5         | 15.5         | 21.2          | 0.0             | -63.3             |
| NR  | RET INCOME        | AS-RET         | 3794          | 3.93 N     | 0.00                   | MAR           | 0.14                | 3.13           | 0.0          | 56.5         | 22.4          | 0.0             | -20.4             |
| NR  | RET-\$4.38 PFD    | AS-RETPR       | 575           | 51.63 C    | 4.38                   | ---           | 0.00                | 45.00          | -1.6         | 5.9          | 0.0           | 9.7             | -12.8             |
| NR  | CYPRUS CORP       | AS-SGO         | 1425          | 1.80 N     | 0.00                   | OCT           | 0.00                | 3.25           | 36.6         | 62.5         | 0.0           | 0.0             | 80.6              |
| NR  | CYPRUS-PFD        | AS-SGOFP       | 660           | 21.15 C    | 1.70                   | ---           | 0.00                | 15.13          | -3.9         | 10.0         | 0.0           | 11.2            | -28.5             |
| NR  | TRECO-PFD A I     | OC-N/A         | 779           | 1.00 L     | 0.00                   | ---           | 0.00                | 1.00           | 0.0          | 58.7         | 0.0           | 0.0             | 0.0               |
| NR  | TRECO-PFD AII     | OC-N/A         | 260           | 1.00 L     | 0.00                   | ---           | 0.00                | 0.25           | 0.0          | 0.0          | 0.0           | 0.0             | -75.0             |
| GROUP AVERAGE   |                   | 1377           | 12.57         | 0.87       | 0.04                   | 10.07         | 1.3                 | 11.0           | 261.1        | 8.6          | -19.9         | 0.3             | 59.2              |

\* GROSS CASH FLOW. # NET CASH FLOW, SEE P. 6. TRUSTS REPORTED ON A CASH FLOW BASIS AND DENOTED WITH "G" or "N" SYMBOL. BOOK VALUE INCLUDES ACCUMULATED DEPRECIATION. ARROWS DENOTE NEW EARNINGS OR DIVIDENDS AND DIRECTION. ZEROES INDICATE LOSS OR NO EARNINGS FOR QUARTER SHOWN. EXTRAORDINARY GAINS AND NON-RECURRING ITEMS NOT ANNUALIZED. -0.0 IN % PRICE TO BOOK INDICATES NEGATIVE BOOK VALUE. PH-PHILADELPHIA EXCHANGE. PS-PACIFIC EXCHANGE. BO-BOSTON EXCHANGE. NR-NOT RANKED. VJ-IN BANKRUPTCY REORGANIZATION. Y-CHAPTER XI REORGANIZATION COMPLETED. BID PRICES SHOWN FOR ALL OVER THE COUNTER STOCKS. AMERICAN EQUITY, ICM REALTY AND WISCONSIN REIT DIVIDENDS TRAILING 12 MONTHS. L-LIQUIDATING VALUE. N-NET ASSET VALUE. C-CALL PRICE. NR-NOT RANKED. TRECO PRD, SERIES I CONVERTIBLE AT \$1.62

NAME CHANGE: C I REALTY CHANGED TO KENILWORTH REALTY; S-G SECURITIES CHANGED TO CYPRUS CORP.

EARNINGS SHOWN FOR CITIZENS MTG AND CONTINENTAL MTG ARE FOR SEPTEMBER 1978.



## CONVERTIBLE DEBENTURES

| DEBENTURE    | EX | MAT  | INT (%) | CONV AT | RECENT PRICE | YIELD (%) | % CHNG | CONV PARITY | STOCK PRICE |
|--------------|----|------|---------|---------|--------------|-----------|--------|-------------|-------------|
| ALAMAND CORP | OC | '91F | 6.50    | 27.75   | 67.00        | 9.7       | 19.6   | 18.59       | 6.75        |
| AMER CENTURY | AS | '90  | 7.00    | 21.00   | 66.25        | 10.6      | 0.4    | 13.91       | 6.00        |
| AMER CENTY'B | NY | '91  | 6.75    | 28.00   | 62.00        | 10.9      | -6.0   | 17.36       | 6.00        |
| AMER REALTY  | OC | '84F | 7.00    | 10.40   | 74.00        | DEF       | 2.8    | 7.69        | 3.13        |
| BANKAMERICA  | OC | '90  | 6.75    | 21.00   | 86.00        | 7.8       | 1.2    | 18.06       | 19.00       |
| BAYSWATER    | OC | '91  | 6.75    | 21.00   | 64.00        | 10.5      | -1.4   | 13.44       | 11.00       |
| CAPITAL MTG  | OC | '91  | 6.50    | 33.00   | 55.00        | 11.8      | -1.7   | 18.15       | 1.25        |
| CHASE MANHTN | OC | '96F | 6.50    | 55.00   | 50.00        | VJ        | 0.0    | 27.50       | 1.13        |
| CHASE MANHTN | OC | '97  | 11.63   | 2.25    | 50.00        | VJ        | 0.0    | 1.12        | 1.13        |
| COMPASS GP   | OC | '98F | 8.25    | 1.35    | 111.00       | 7.4       | 0.9    | 1.49        | 1.50        |
| CONN GENERAL | NY | '96  | 6.00    | 32.50   | 78.50        | 7.6       | -1.8   | 25.51       | 25.00       |
| CONTINL MTG  | OC | '90  | 6.25    | 19.79   | 46.00        | VJ        | 9.5    | 9.10        | 0.40        |
| EQUITLB LF M | NY | '90  | 6.75    | 26.25   | 76.25        | 8.9       | -2.1   | 20.01       | 17.25       |
| FIRST NEWPT  | OC | '91F | 6.75    | 27.50   | 54.00        | 12.5      | -1.7   | 14.85       | 3.13        |
| FIRST PENN M | OC | '91F | 6.75    | 8.65    | 53.00        | 12.7      | -3.5   | 4.58        | 2.63        |
| FRANKLIN RLY | AS | '89  | 7.00    | 10.00   | 105.00       | 6.7       | 6.9    | 10.50       | 10.25       |
| HANOVER SQ R | AS | '92  | 7.25    | 21.00   | 76.00        | 9.5       | -4.9   | 15.96       | 7.13        |
| HEITMAN MTG  | AS | '92  | 7.50    | 14.70   | 67.25        | 11.2      | -3.8   | 9.88        | 2.75        |
| HOTEL INVSTR | OC | '90  | 7.75    | 21.00   | 96.00        | 8.1       | 0.0    | 20.16       | 20.13       |
| HOTEL INVTRS | OC | '91  | 7.50    | 25.25   | 77.00        | 9.7       | 2.7    | 19.44       | 20.13       |
| LINCOLN MTG  | OC | '90  | 8.00    | 11.00   | 60.00        | 13.3      | 0.0    | 6.60        | 2.50        |
| MASSMUTL MTG | NY | '90  | 6.75    | 21.00   | 78.00        | 8.7       | 2.6    | 16.38       | 13.25       |
| MASSMUTUAL M | NY | '91  | 6.25    | 33.50   | 73.50        | 8.5       | -0.1   | 24.62       | 13.25       |
| MIDLAND MTG  | OC | '86  | 7.00    | 16.67   | 54.00        | 13.0      | 3.8    | 9.00        | 3.88        |
| MONY MTG IN  | NY | '90  | 7.00    | 11.00   | 81.00        | 8.6       | -1.1   | 8.91        | 9.00        |
| MTG INV WASH | OC | '90  | 8.00    | 15.00   | 64.00        | 12.5      | -1.4   | 9.60        | 2.75        |
| NEWSTRN MUTL | NY | '91  | 6.00    | 21.00   | 72.13        | 8.3       | 0.2    | 15.14       | 11.13       |
| PAC REAL TR  | AS | '92  | 7.00    | 26.25   | 80.25        | 8.7       | 1.6    | 21.06       | 22.75       |
| RAM PACIFIC  | OC | '91  | 6.75    | 21.00   | 75.00        | 9.0       | -2.5   | 15.75       | 16.50       |
| REALTY INCOM | AS | '91  | 8.00    | 18.00   | 75.50        | 10.6      | -0.6   | 13.59       | 11.00       |
| REPUBLIC MI  | NY | '90  | 9.00    | 19.00   | 95.63        | 9.4       | 0.0    | 18.16       | 1.88        |
| SAUL (BF) RL | OC | '91  | 6.50    | 23.00   | 66.00        | 9.8       | -2.8   | 15.18       | 8.38        |
| SAUL(BF) REI | OC | '90  | 8.00    | 15.50   | 75.00        | 10.7      | -6.2   | 11.62       | 8.38        |
| STATE MUTUAL | AS | '91  | 6.75    | 21.00   | 70.00        | 9.6       | 2.2    | 14.70       | 5.00        |
| SUTRO MIT    | NY | '82  | 6.75    | 20.00   | 86.88        | 7.8       | -1.2   | 17.37       | 10.50       |
| SUTRO MTG    | AS | '91  | 6.75    | 20.00   | 73.00        | 9.2       | -1.6   | 14.60       | 10.50       |
| TRECO        | OC | '98  | 8.50    | 1.62    | 106.00       | 8.0       | 6.0    | 1.71        | 1.69        |
| TRI-SO / SR  | PH | '88  | 10.00   | 2.50    | 140.00       | 7.1       | 0.0    | 3.50        | 3.50        |
| TRI-SOUTH MI | NY | '92F | 7.00    | 29.50   | 67.50        | 10.4      | 12.5   | 19.91       | 3.50        |
| US REALTY IN | NY | '89  | 5.75    | 20.20   | 63.00        | 9.1       | -5.9   | 12.72       | 9.13        |
| WESTPORT CO  | OC | '91  | 6.75    | 21.00   | 60.00        | 11.3      | 3.4    | 12.60       | 5.38        |

CONVERSION PARITY IS PRICE AT WHICH SHARES WOULD HAVE TO SELL TO JUSTIFY DEBENTURE PRICE. VJ=IN BANKRUPTCY REORGANIZATION. F=TRADES FLAT, WITHOUT ACCRUED INTEREST. DEF=IN DEFAULT. PH=PHILADELPHIA EXCHANGE. PS=PACIFIC EXCHANGE.

## WARRANTS

| NAME         | EXCH/ SYMBOL | EXP DATE | OUT (000) | EXER PRICE | NO. SH. | WTS PRICE | STK PRICE | CONV PREM | % CHG | MKT VA (MILS) |
|--------------|--------------|----------|-----------|------------|---------|-----------|-----------|-----------|-------|---------------|
| BARNES MTG   | O-BARNW      | 12/82    | 1910      | 20.00      | 1.0     | 0.06      | 2.88      | 596.5     | 0.0   | 0.1           |
| CAPITAL MTG  | O-CHORW      | 11/79    | 471       | 15.35      | 1.0     | ---       | 1.25      | ---       | 0.0   | 0.0           |
| CI MTG       | PH-CI.W      | 3/80     | 2854      | 20.00      | 1.0     | 0.05      | 6.88      | 191.4     | -16.6 | 0.1           |
| CITIZNS&SO-B | PS-N/A       | 4/83     | 222       | 2.00       | 50.0    | 17.00     | 2.00      | 17.0      | -2.8  | 3.8           |
| FLATLEY RLTY | O-FLTLW      | 5/80     | 1000      | 10.00      | 1.0     | 0.50      | 6.00      | 75.0      | 0.0   | 0.5           |
| JNB REALTY   | O-JMBRW      | 8/82     | 510       | 20.00      | 1.0     | 2.25      | 20.00     | 11.3      | -24.9 | 1.1           |
| M&T MTG INV  | O-MTMIZ      | 8/80     | 747       | 13.00      | 1.0     | 1.25      | 13.75     | 3.6       | -9.3  | 0.9           |
| MTG INV WASH | O-MINWV      | 3/80     | 931       | 15.00      | 1.0     | 0.03      | 2.75      | 446.5     | 0.0   | 0.0           |
| NEWCORP      | A-NWCW       | 2/82     | 740       | 24.63      | 1.0     | 0.31      | 2.50      | 897.6     | 24.0  | 0.2           |
| SAN FRAN REI | A-SFIW       | 12/80    | 1348      | 25.00      | 1.0     | 2.25      | 22.88     | 19.1      | -14.3 | 3.0           |
| SUTRO MIT(B) | A-SUTW       | 6/82     | 700       | 20.00      | 1.0     | 1.00      | 10.50     | 100.0     | 6.4   | 0.7           |
| UNITED RLTY  | A-URTW       | 12/79    | 3610      | 20.00      | 1.0     | 0.09      | 11.00     | 82.6      | 50.0  | 0.3           |

\*DEBENTURES USABLE IN LIEU OF CASH.

WTS PRICE OF .01 INDICATES TRADING IN MILLS.

NOTE: BUYERS ARE CAUTIONED THAT SPREADS BETWEEN BID AND ASKED PRICES FOR WARRANTS ARE VERY LARGE AND PRICES MAY VARY SIGNIFICANTLY.

NO BID FOR CAPITAL MTG WARRANTS.

## HOW TO USE COMPARATIVE TRUST STATISTICS

These data are designed to facilitate comparison of relative efficiency of real estate investment trust managements with available funds. Readers should note that historical data are used and thus no earnings or dividend projections or estimates are included. Investors are advised to consider carefully the following distinctive characteristics of REITs compared with other industrial or financial securities:

**Annualized Dividend and Yield:** Most REITs do not pay a posted quarterly dividend rate but instead pay their approximate earnings (or net cash flow, if appropriate) for the quarter. They follow this practice because REITs are required to pay at least 90% of earnings to shareholders in order to qualify for exemption from Federal income taxes. This practice means that dividends paid by most REITs will vary much more from quarter to quarter than industrial securities. This possibility for quarterly variations gives REIT shares higher risk because earnings do not provide a safety margin of coverage for the dividend as they do for industrial stocks. The outlook and stability of dividends are thus key factors in our RELATIVE APPEAL RANKINGS. The "Annualized Dividend" column is the latest quarterly payout annualized by multiplying by four, and adjusted for any capital gains or other special dividend payments. Special dividends, marked "S", are paid to maintain tax exemption but are not expected to be continued in subsequent quarters. Because of these possible variations, annualized dividends and yield are not to be considered in any way as posted or guaranteed yields.

**Annualized Earnings and Price/Earnings Ratio:** For mortgage trusts, latest quarter earnings are multiplied by four. Zeroes indicate losses or no earnings for the quarter indicated. Losses per share are shown in RELATIVE APPEAL RANKINGS. For equity trusts, annualized net cash flow as calculated by Audit Investment Research, Inc. is used in place of earnings as the best single measure of results. Net cash flow is defined as net income plus depreciation minus mortgage amortization. The symbol "#" indicates cash flow in the earnings column. For a few trusts, gross cash flow (i.e., net income plus depreciation) is used, denoted by "\*". Cash flow derived from amortization of debt discount is denoted by "@". The price/earnings ratio relates current price to the most appropriate earnings result. Both earnings (EPS) and net cash flow (CFS) per share for equity trusts for current periods are shown in RELATIVE APPEAL RANKINGS.

**Shares:** The number of shares outstanding, in thousands, is the number issued as of the latest balance sheet and is not adjusted for any potential conversion of debentures, exercise of warrants, or common equivalents which may have been used in earnings per share computations.

**Book value per share** is essentially tangible net worth per share after deduction of intangible items such as debt discount, unamortized debt expenses, and goodwill if any. Book value does not reflect any changes in asset values through appreciation but does reflect deduction of a reserve for possible future investment losses computed under AICPA rules. Accumulated depreciation is added back to net book value for trusts whose results are reported on a cash flow basis (see above) and denoted with the "#" symbol, as a means of approximating market value of properties. Components of this adjusted book value are reported in RELATIVE APPEAL RANKINGS.

## PROFILE OF REALTY TRUSTS AS OF SEPTEMBER 18, 1979

|                      | Number | -----Invested Assets----- |           | % Non- and Low-earning | % Change in Month | Loss Reserve | Foreclosed Property | All Debt | Shareholders Equity | Depreciation | Taxloss Carryforward |
|----------------------|--------|---------------------------|-----------|------------------------|-------------------|--------------|---------------------|----------|---------------------|--------------|----------------------|
|                      |        | Non/Low-Earn.             | Total     |                        |                   |              |                     |          |                     |              |                      |
| PROPERTY.....        | 29     | \$ 49M                    | \$ 1,778M | 3%                     | -1.1%             | \$ 24M       | \$ 23M              | \$1,155M | \$ 623M             | \$254M       | \$ 2.2M              |
| PROPERTY & MTG.....  | 23     | 326                       | 1,784     | 18                     | -5.1              | 47           | 152                 | 1,249    | 518                 | 147          | 120.1                |
| SHORT/TERM MTG.....  | 11     | 115                       | 708       | 16                     | -0.7              | 28           | 94                  | 396      | 319                 | 4            | 16.4                 |
| L/T MTG/PROPERTY.... | 13     | 188                       | 1,662     | 11                     | -20.0             | 34           | 144                 | 952      | 666                 | 8            | 32.5                 |
| MTG/FORECLOSED PROP. | 61     | 3,290                     | 4,857     | 68                     | -5.1              | 807          | 2,280               | 3,743    | 332                 | 69           | 1,843.3              |
| TOTALS/AVERAGES....  | 137    | \$3,969M*                 | \$10,789M | 36%                    | -5.8%             | \$ 940M      | \$2,694M            | \$7,494M | \$2,458M            | \$482M       | \$2,014.9M           |

\* Includes \$955M or 8.8% low-earning assets. M=Million.



# EARNINGS TRENDS: CONTINUED STRONG RENTAL MARKETS BOOST RESULTS FOR PROPERTY TRUSTS

The most recent earnings results tallied on page 8 demonstrate the strength of real estate markets across the boards in the current economic climate. Trusts with a potpourri of property types and locations are posting strong earnings with the sole common denominator being high occupancies and high rates. While most of the trusts have some interest rate vulnerability, their gains from operations have outstripped higher interest expenses, a measure of the attraction of real estate in an inflationary market, and an indication that the real vulnerability of the real estate trusts may be with lower interest rates purchased by trading off economic growth. Rental markets have remained strong, however, as have interest rates, despite the advent of the recession, and property trusts continue to reap the benefits.

GREIT Realty, for example, doubled its earnings in the July qtr. from the preceding qtr. to 18¢/sh., despite heavily depreciated properties and vacancies at its Dayton office. But higher occupancies overall combined with increased interest income on short term investments and higher overage rents from two net leased properties to boost results.

Flatley Realty reported earnings of 17¢/sh. in its June qtr., up 325% from the preceding qtr. and 42% from the year-earlier; its fiscal year earnings of 41¢/sh. climbed 173% from those of the preceding fiscal year. Flatley, the bulk of whose properties are located in Massachusetts, has benefited from high occupancy and judicious expansion of its portfolio, and recently purchased a 50% interest in a mobile home park in Florida.

With some two-thirds of its assets located in the exceptionally strong California and Hawaii markets, Realty & Mortgage Investors of the Pacific's earnings rose 45% to 45¢/sh. in the August qtr., reflecting an expanding rental portfolio, increased leasing at development partnership projects, and higher interest income from real estate loans, all of which far outweighed the high cost of some \$12.5 mil-

lion in commercial paper which the trust held at the beginning of the quarter.

Florida Gulf Realty posted an earnings gain of 24%, to 21¢/sh. before 2¢/sh. gain on the sale of real estate. While the trust's earnings have been somewhat restricted by vacancies resulting from disaffirmed leases by Food Fair and Neisner Bros., strong overage rents from other tenants have more than compensated. Releasing will help continued earnings improvement.

Mortgage Growth Investors' earnings jump of 38% to 22¢/sh. reflects the strong residential rental market. Over 60% of the trust's assets are apartment buildings, and earnings are benefiting from increasing residential occupancy ratios and higher rents which are closing the gap between rents and building costs. In the fourth quarter, the trust's new Michigan apartment project will begin to contribute to earnings; the removal of the trust's \$1.4 million New York City shopping center from non-earning status also will boost results.

Commonwealth Realty's May qtr. results showed a 111% jump in cash flow to 19¢/sh. before a 1¢/sh. sale gain., largely reflecting increased income from the trust's 60% partnership interest in an office park in Pennsylvania; the year-to-year improvement in earnings largely resulted from the sale of a non-earning Atlanta office building in the 1978 second half. Future results will benefit from resolution of the trust's problem property in Jamaica. Commonwealth is currently negotiating with new prospective lessees; it does not anticipate a loss on the investment. A small aside: in its most recent letter to its shareholders, Commonwealth took exception to the Forbes magazine article which estimated its book value at \$10/sh., stating that the trustees believe that book value exceeds that figure, although no improved estimate was suggested.

The 19% gain in earnings and cash flow posted by Real Estate Investment Properties in its June qtr., and the 15% and 12% re-



spective gains for the fiscal year resulted from room rate increases at the trust's six motor hotels in California. Hurt by the gasoline shortage, overall occupancy rates at the hotels were down; additionally, sales at the trust's restaurant facilities were flat or down.

ICM Realty's 77% gain in earnings to 39¢/sh. indicates the progress the trust has made in resolving problems. The trust has now disposed of or released several problem properties, and many of the new leases require the tenants to make capital improvements. While income from some of these properties is not imminent, the removal of the cash drains and

the reduction of debt have combined to improve ICM's performance.

The bulk of the nonqualified trusts and corporations also reported improved earnings in the most recent quarter, despite the greater vulnerability of many of the debt-laden troubled trusts to continued high interest rates. South Atlantic Financial Corp.'s widening deficit, for example, reflects the high cost of \$60 million in bank debt. But other of the trusts and companies are managing to maintain their margins, if not to turn a profit.

C.I. Mortgage Group's operations are currently in the black, with earnings of 5¢/sh. before special items reported for the July qtr. The trust has reduced its debt substantially through an asset swap program which was terminated in Feb., 1979; additionally the trust has earned interest forgiveness through meeting scheduled amortization payments. Currently bank debt is at 1%; operating results will be restricted by a jump to 5% following year-end.

American Realty Trust reported a 10¢/sh. profit for the June quarter as results improved on cost control efforts and a strong performance at the trust's Williamsburg Hospitality House, but uncertainties regarding the restructuring plan to result from the judgment against the trust on behalf of the holders of the 7% convertible and 9½% debentures limit appeal.

Walter Realty's improved results both for the July qtr. and fiscal year are attributable to the elimination of non-earning investments and the improved operations of other properties combined with sharply lower interest expense resulting from debt reduction. The operating profit enabled the trust to utilize 21¢/sh. in tax loss credit for the fiscal year.

Both Indiana Financial Investors and Growth Realty Companies reported operating deficits in their June fiscal years, compared with profits in the preceding year. The losses are partially attributable to substantial costs incurred in corporate restructure.

## New Earnings Reports

| Trust-Period ended   | Th, \$/Spec'1/1 | Latest quarter  | -Prev. Q-    | -Yr. AgoQ-   | -% Chng. From**   |
|--|-----------------|-----------------|--------------|--------------|-------------------|
|  |                 | Th, \$/Spec'1/1 | EPS/Spec'1/1 | EPS/Spec'1/1 | Prev. Q Yr. ago Q |
| <b>Quarterly results: Qualified REITs:</b>                 |                 |                 |              |              |                   |
| Commonwealth Rty., May-EPS                                 | \$ 92/12G       | 0.09/1cG        | 0.01/1cG     | 0.04/1cG     | Better* +167*     |
| " " " " " " " "  | 197/12G         | 0.20/1cG        | 0.10/1cG     | 0.20/1cG     | +111* UC*         |
| Del-Val Finl., Jun-EPS                                     | 471             | 0.35            | 0.35/1cG     | 0.33/1cG     | + 3* +21*         |
| " " " " " " " "  | 485             | 0.36            | 0.36/1cG     | 0.34/4cG     | + 3* +20*         |
| First Contn'l., Aug....                                    | 678             | 0.32            | 0.36         | 0.26         | -11 +23           |
| Flatley Rty., Jun....                                      | 178             | 0.17            | 0.04         | 0.12         | +325 +42          |
| Florida Gulf, Jul....                                      | 230/23G         | 0.23/2cG        | 0.17         | 0.20/2cG     | +24* +17*         |
| Fraser Mtg., Aug....                                       | 126             | 0.27            | 0.24         | 0.27         | +13 UC            |
| Genl. RE Shs., Jun....                                     | 126             | 0.23            | 0.19         | 0.72/58cG    | +21 +64*          |
| GREIT Realty, Jul....                                      | 180             | 0.18            | 0.09         | 0.14         | +100 +29          |
| Hubbard REI., Jul....                                      | 1,858           | 0.46            | 0.45         | 0.43         | + 2 +7            |
| ICM Realty, Aug....  | 1,166           | 0.39            | 0.22         | 0.24         | +77 +63           |
| Mission Inv. Tr. Aug....                                   | 1,795           | 0.99            | 0.04         | d0.0005      | +2375 Better      |
| MassMutual Mtg., Jul....                                   | 1,623           | 0.37/1cR        | 0 39/6cRT    | 0.37/7cR     | + 9* +20*         |
| MONY Mortgage, Aug....                                     | 2,100           | 0.23            | 0.30/7cG     | 0.17         | + 2* +35          |
| Mtg. Growth Inv. Aug....                                   | 574             | 0.22            | 0.24/8cG     | 0.13         | +38* +69          |
| Pac. So. Mtg., Jun....                                     | 266             | 0.31/9cY        | 0.39/14cY    | 0.15         | -12* +47*         |
| RE Inv. Props., Jun-EPS                                    | 301             | 0.31            | 0.26         | 0.28         | +19 +11           |
| " " " " " " " "  | 353             | 0.37            | 0.31         | 0.33         | +19 +12           |
| RE Inv. Tr. Am., Aug....                                   | 700/46G         | 0.43/3cG        | 1.13/64cG    | 0.28         | -18* +43          |
| Rty. & Mtg. Pac. Aug....                                   | 853             | 0.45            | 0.34/3cX     | 0.29         | +45* +55          |
| Realty Inc. Tr., Jul....                                   | d481            | d0.30           | N11          | d0.32        | Worse Better      |
| Riviere Rty., Jun-EPS                                      | d135            | d0.17           | 0.12         | 0.16         | Worse Worse       |
| " " " " " " " "  | d79             | d0.10           | 0.17         | 0.24         | Worse Worse       |
| Terrydale Rty., Jun-EPS                                    | 181             | 0.54            | 0.63         | 0.39         | -14 +38           |
| " " " " " " " "  | 193             | 0.57            | 0.67         | 0.40         | -15 +43           |
| <b>Quarterly results: Nonqualified trusts &amp; corps:</b> |                 |                 |              |              |                   |
| Amer. Rty. Tr., Jun....                                    | 230             | 0.10            | 0.04/11cG    | 0.03         | Better* +233      |
| Builders Inv. Gr., Jun....                                 | 1/2346SZ        | N11/83cSZ       | d0.35/17cSZ  | d0.39        | Better* Better*   |
| C.I. Mtg. Group, Jul....                                   | 2,108/1891NI    | 0.44/39cNI      | 0.57/55cNS   | d0.23        | +150* Better*     |
| Chase Mhntn Mtg., May....                                  | 1,396/d103L     | 0.28/d2cL       | 0.32/44cG    | d1.26        | Better* Better*   |
| Citizenship Dev., Jun....                                  | 39/20N          | 0.06/3cN        | 0.04/1cN     | 0.29/15cN    | UC* -79*          |
| Compass Inv. Gr., Jun....                                  | 175/50NL        | 0.05/1cNL       | d0.04        | 0.66/56cS    | Better* -60*      |
| Dominion M&R., May....                                     | d104/15G        | d0.17/2cG       | d0.32/44cG   | d1.26        | Better* Better*   |
| First Memphis, May....                                     | 264/79N         | 0.23/7cN        | 1.14/49cS    | 0.18/16cG    | -75* +700*        |
| First Newport, Jul....                                     | 352/169N        | 0.15/7cN        | 0.10/5cN     | 0.14         | +60* -43*         |
| First Wisconsin, Jun....                                   | 33              | 0.01            | N11          | N11          | Better Better     |
| Growth Realty, Jun....                                     | 58              | 0.03            | d0.62        | 1.15/d76cL   | Better -98*       |
| Indiana Fincl., Jun....                                    | d8              | d0.01           | 0.41/62cG    | 0.37         | Better* Worse     |
| Institutional, Jul....                                     | d1,739          | d0.26           | d0.31/4cZ    | 0.33/35cZ    | Better* Worse*    |
| Lifetime Comm., Jul....                                    | 1,062/332NZ     | 0.16/5cNZ       | 0.08/6cNZ    | 0.17/8cNZ    | +450* UC*         |
| Lincoln Mtg., Jun....                                      | d225            | d0.19           | d0.35/d1.2L  | 0.18/12cG    | Worse* Worse*     |
| Mtg. Inv. Wash., Jun....                                   | 50/401G         | 0.02/18cG       | d0.35        | 0.25/38cG    | Better* Worse*    |
| South Atlantic, Jul....                                    | 2,851/4759SN    | 1.05/1.75SN     | d0.37/22cSN  | 0.08/83cGY   | Worse* Better*    |
| Walter Realty, Jul....                                     | 323/98N         | 0.31/9cN        | d0.05/d3cN   | 0.67/1.01G   | Better* Better*   |
| Westport Co., Jul....                                      | d109            | d0.045          | d0.015       | d0.03        | Worse Worse       |
| <b>Annual results: All trusts &amp; corps:</b>             |                 |                 |              |              |                   |
| Chase Mhntn Mtg., May....                                  | d1217/3066G     | d2.22/62cG      | d5.76/1.83G  | ---          | Better*           |
| Dominion M&R., May....                                     | 639/498G        | 0.82/78cG       | d0.60/7cG    | ---          | Better*           |
| Flatley Rty., Jun....                                      | 413             | 0.41            | 0.23/8cG     | ---          | +173              |
| Growth Rty. Inv., Jun....                                  | d2,542          | d1.23           | 4.03/3.30G   | ---          | Worse*            |
| Indiana Fincl., Jun....                                    | 421/715G        | 0.40/62cG       | 0.36         | ---          | Worse*            |
| RE Inv. Props., Jun-EPS                                    | 1074            | 1.12            | 0.91/6ca     | ---          | +15*              |
| " " " " " " " "  | 1279            | 1.33            | 1.13/6ca     | ---          | +12*              |
| Walter Realty, Jul....                                     | 475/535NG       | 0.43/52cNG      | d1.24/0.97G  | ---          | Better*           |

UC=Unchanged, NM=Not meaningful, R=Restated, P=Preliminary, d=Deficit, b=Aft. pfd. divs.  
 #--Special items included in both thousand dollar and share amounts are: G=Gain on sale of assets; I=Interest forgiveness; L=Loss on sale of assets; N=Net operating loss (NOL) benefit or charge; R=Recovery of past-due interest or prepayment fees; S=Swap of assets with banks; T=Gain on market purchase of debt at discounts; W=Gain (loss) on mortgage refinancing; X=Settlement with adviser, sponsor, insurance company, or litigation with borrower; Y=Loss reserve credit; Z=Gain on debt restructuring via exchange or tender offers; a=Merger charge.

\*\* Comparisons are based upon earnings per share. Where loss is reported in one or both quarters, change in direction is shown as "Better" or "Worse."

\* Compared before special items.